

ASSEMBLY BILL

No. 232

Introduced by Assembly Members Hill and Fletcher
(Coauthor: Assembly Member Tran)
(Coauthor: Senator DeSaulnier)

February 5, 2009

An act to amend Section 24604 of, and to add Section 22336 to, the Education Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 232, as introduced, Hill. Teachers' retirement.

The Teachers' Retirement Law establishes certain retirement benefits and procedures for the administration of those benefits to retired public school teachers and other persons formerly employed in connection with the schools, as specified. Existing law authorizes the retired member, disabled member, or beneficiary to specify that monthly benefit payments be disbursed by direct deposit, direct mail to a financial or other institution, or by mailing to a payment address provided by the retired member, disabled member, or beneficiary. Existing law requires the Teachers' Retirement Board to send a copy of the benefit payment information to any retired member, disabled member, or beneficiary who has payments transmitted by direct deposit or by mail to a financial institution unless the board has received a written request from that person not to send a copy of the information.

This bill would delete the provision that requires the Teachers' Retirement Board to send a copy of the benefit payment information to any retired member, disabled member, or beneficiary who has payments transmitted by direct deposit or by mail to a financial institution. The bill would also authorize the board to implement

technology improvements in the delivery of benefits and services to members, participants, and beneficiaries, subject to terms and conditions established by the board, if the board finds that the means by which those services are delivered provide a level of information security at least equal to the processes specified in law.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. It is the intent of the Legislature to promote the
2 use of improvements in technology to provide services in the most
3 cost-effective and efficient manner and also to use those
4 improvements to engage in environmentally sound practices, such
5 as reducing the amount of paper documents that are mailed and
6 received.

7 SEC. 2. Section 22336 is added to the Education Code, to read:

8 22336. Notwithstanding any other provision of law, the board
9 is authorized to implement technology improvements in the
10 delivery of benefits and services to members, participants, and
11 beneficiaries, subject to terms and conditions established by the
12 board, if the board finds that the means by which those services
13 are delivered provide a level of information security at least equal
14 to the processes specified in law.

15 SEC. 3. Section 24604 of the Education Code is amended to
16 read:

17 24604. (a) A retired member, disabled member, or beneficiary
18 under this part shall specify whether monthly benefit payments
19 are to be disbursed by: (1) direct deposit (electronic funds transfer);
20 (2) direct mail to a financial or other institution; or (3) mailing to
21 a payment address provided by the retired member, disabled
22 member, or beneficiary.

23 (b) A member or beneficiary under this part to whom a
24 lump-sum payment or benefit is to be disbursed shall specify the
25 address to which the payment shall be mailed.

26 ~~(c) (1) The board shall send a copy of the benefit payment~~
27 ~~information to any retired member, disabled member, or beneficiary~~
28 ~~under this part who has payments transmitted directly by electronic~~
29 ~~funds transfer or by mail to a financial institution, unless the board~~

1 has received a written request from that person not to send a copy
2 of the information.

3 ~~(2) The board shall notify the retired member, disabled member,~~
4 ~~or beneficiary, in the monthly benefit payment notice, of the right~~
5 ~~to request that no copy of the benefit payment information be~~
6 ~~mailed, pursuant to paragraph (1).~~

7 ~~(d)~~

8 (c) A payment disbursed as specified by the member or
9 beneficiary under this part shall fully discharge the board, system,
10 and plan from any claim resulting from actions taken under this
11 section.